



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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February 21, 1992

Ms. Vicki L. Hoffsetz  
Land Records Administrator  
Energy Fuels Nuclear, Incorporated  
One Tabor Center, Suite 2500  
1200 Seventeenth Street  
Denver, Colorado 80202

*M015026 - Sahara*  
*M017018 - Straight Creek*  
*M037003 - Patti Ann*  
*M037015 - Hillside*  
*M037019 - Far West*  
*M037021 - Wood*  
*M037038 - Repete*

Dear Ms. Hoffsetz:

Re: Surety Release, Energy Fuels Mines in Utah

The Division received your January 28, 1992 letter, regarding Energy Fuel's request to release several bond sureties held by the State. I will be unable to act on your request immediately, due to a backlog of permit reviews. I hope to start working on your request by mid-March.

You requested bond reduction for several sites in San Juan and Emery Counties. This will require a new bond estimate and approval by the Board of Oil, Gas and Mining, which will require more time. If Energy Fuels would like to perform the calculations for us, it would help accelerate the process. The calculations should be based on rescarification and reseeding only. A 10% contingency factor should be added on, along with a 1.27% yearly escalation factor for three years.

I will need to wait until spring to look at the Straight Creek site. We are waiting to hear from the BLM regarding the Hillside and will wait for Energy Fuels to make minor repairs on the Hillside portal before releasing the surety.

The Division holds no surety for the Betty Mine. Our files indicate that it has been reclaimed. If the USFS needs a letter from us concerning release of the surety, they should contact us.

Please contact me if you have further questions.

Sincerely,

Holland Shepherd  
Senior Reclamation Specialist

jb

cc: Roger Smith, Energy Fuels, Kanab  
Wayne Hedberg, DOGM